

fw

OGC 70-2036

4 December 1970

MEMORANDUM FOR THE RECORD

SUBJECT: Federal Expenditures -- Controls and Procedures

REFERENCES: a. "Accounting Procedures of the United States Government", E. F. Bartelt (1940)
b. "Treasury Fiscal Requirements Manual", Part II

1. Money that has been formally acknowledged or covered into the Treasury may not be withdrawn except on appropriation made by the Congress. Article I, Section 9 of the Constitution provides: "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law."


2. The Treasury's control over the receipt and the expenditure of money is exercised through the medium of documents called "warrants". To be a valid receipt for money received, the endorsement of the Treasurer of the United States must be on a warrant signed by the Secretary of the Treasury. In the case of an expenditure, the Treasurer may not disburse money of the United States except upon a warrant drawn by the Secretary of the Treasury and countersigned in the General Accounting Office. (31 U.S.C.A. 147)

3. An appropriation is an act of Congress which provides budget authority to incur obligations and to make payments out of the General Fund of the Treasury for specified purposes. The appropriation warrant is the document which establishes, by appropriation

71

symbol, the individual amounts appropriated by the Congress. It is prepared and signed in the Treasury and countersigned in the General Accounting Office. When executed in this manner, it becomes the basis for recording the appropriation on the books of the Treasury and the agency for which the appropriation was made. An authenticated copy of the warrant is furnished to the agency for recording in its administrative account.

4. Appropriation warrants are also issued by the Treasury for the purpose of confirming available special and trust fund receipts. These receipts are credited directly in the accounts of agencies and are immediately available for obligation. An appropriation warrant issued at the close of the fiscal year confirms the appropriation of such receipts. STATINTL



Assistant General Counsel

OGC:RJB:bg

Distribution:

- Orig - Subject - APPROPRIATIONS
- 1 - RJB Signer
- 1 - Chrono